



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

January 28, 2010

Persi Shafto, Human Resources Manager
ArthroCare Corporation
680 Vaqueros Avenue
Sunnyvale, CA 94085
Persi.shafto@arthrocare.com

Transmitted by E-mail

Dear Ms. Shafto:

RE: FINAL MONITORING VISIT REPORT for Arthrocare Corporation– ET08-0429

Date of the Visit:	01/21/10
Beginning/Ending Time:	10:00 A.M. – 12:00 P.M.
Date of Last Visit:	09/21/09
Visit Location:	Company facility in Sunnyvale, CA
Persons in attendance:	Kelly Jabbal, Executive Administrator and Persi Shafto, H.R. Manager for ArthroCare Corporation; Robert Jackson, ETP Analyst
Action Required:	No

CONTRACT INFORMATION:

Term of Agreement:	03/29/08 – 03/28/10	Agreement Amount:	\$182,841
Training Start Date:	04/30/08	No. to Retain:	177
Date Training Completed:	12/29/09	Range of Hours:	24 - 200
Type of Trainee:	Retrainee	Weighted Ave. Hours:	57

SACRAMENTO CENTRAL OFFICE
1100 J Street, 4th Floor
SACRAMENTO, CA 95814
(916) 327-5640

N. HOLLYWOOD REGIONAL OFFICE
4640 Lankershim Blvd., Suite 311
NORTH HOLLYWOOD, CA 91602
(818) 755-1313

S.F. BAY AREA REGIONAL OFFICE
1065 East Hillsdale Blvd, Suite 415
FOSTER CITY, CA 94404
(650) 655-6930

SAN DIEGO REGIONAL OFFICE
5353 Mission Center Road, Suite 110
SAN DIEGO, CA 92108
(619) 686-1920

FINAL REPORT SUMMARY:

The Agreement was executed and training began on March 29, 2008. Your staff reported that all training was completed on December 29, 2009 which allows for the 90-day retention period to be completed within the term ending date of the Agreement – March 28, 2010.

A total of 135 training hours that meet ETP's minimum twenty-four hour requirement have been tracked on ETP's tracking website by Arthrocare Corporation. To date, Arthrocare has received no progress payments. Provided ETP's terms and conditions are met, the tracked training hours represent a potential total reimbursement estimated to be \$2,430 which is an estimated one percent of the original funding \$182,841 requested under this agreement. Arthrocare's records show that four trainees have completed training (2% of planned retentions) and one trainee has currently completed the 90 day retention period (.5% of planned retentions).

Ms. Shafto, H.R. Manager, reported to ETP's analyst that internal financial constraints prevented the delivery of the training originally planned. Mr. Jackson, ETP's Analyst reminded Ms. Shafto that the closeout invoice should be submitted no later than 30 days after the end term date of the Agreement. Ms. Shafto stated that the closeout invoice will be submitted by April 28, 2010.

• INTERVIEW WITH THE COMPANY CONTACT, MS. SHAFTO, H.R. MANAGER

- What barriers, if any, did your company experience in implementing your ETP project? Internal funding towards training was restricted at Arthrocare.
- What problems, if any, did your company experience with ETP record keeping? None.
- What assistance could ETP have provided that would improve the process for future Contractors? Reduce the hours of required training hour threshold to qualify for reimbursement with fewer hours delivered. Arthrocare was pleased with the level of service from ETP's Analyst, Mr. Jackson.
- How did your company benefit from the ETP training? Helped structure our training program and implement a record keeping system.

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

Trainees Started Training:	119	Completed Retention:	1
Dropped Following Enrollment:	0	In Retention Period:	3
Completed Minimum Hours for reimbursement:	4		
Completed Training:	4		

AUDIT:

Arthrocare corporation will be notified in writing if this agreement is selected for an audit, conducted either at your site or by telephone. The Audit Notification and Audit Confirmation letters will be sent in advance to allow ample preparation time and will include a list of documents that will be examined by the auditor. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION:

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

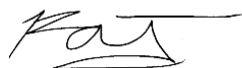
IN CLOSURE

Please contact Robert Jackson, ETP Analyst, at (650) 655-6936 or email rjackson@etp.ca.gov within ten working days if there are any questions or comments.

Sincerely,



Creighton Chan, Manager
San Francisco Bay Area Regional Office



Robert Jackson, Analyst
San Francisco Bay Area Regional Office

Cc:

Master File
Project File
Kulbir Mayall, Manager, Fiscal and Certification
Project File

